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# Evaluation Policy for the GCF

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## **Summary**

This document presents, for adoption by the Board, the Evaluation Policy for the Green Climate Fund (GCF). The policy sets out the Fund's overall approach to evaluations, identifies the main types of evaluations to be conducted by the GCF and within its partnership of organizations, and sets out the roles and responsibilities of stakeholders in relation to these evaluations. The Board, through decision B.24/15, confirmed the Evaluation Policy is a GCF-wide policy that guides the Board, the Secretariat, the Independent Evaluation Unit (IEU), other independent units, accredited entities and national designated authorities/focal points. This policy has been developed by the IEU in collaboration with the Secretariat and in consultation with other stakeholders. In line with decision B.24/15(c), the IEU and the Secretariat have jointly clarified and delineated the roles, responsibilities and accountabilities in this Evaluation Policy.

## Table of Contents

I.	Background and mandate	1
II.	Policy rationale	2
III.	Analysis of policy proposal	4
IV.	Consultation	5
V.	Impact assessment	5
VI.	Implementation arrangements	8
VII.	Monitoring and review	9
VIII.	Recommended action for the Board	9
	Annex I: Draft decision of the Board	10
	Annex II: Evaluation Policy for the GCF	11
	Annex III: Key elements of evaluation policies in other agencies	32
	Annex IV: List of consultations on the Evaluation Policy to date	44

## I. Background and mandate

1. The Governing Instrument (GI) for the Green Climate Fund (GCF) emphasizes the importance of evaluation for the Fund. Specifically:
  - (a) Paragraph 3 calls upon “the Fund ... [to be] a continuously learning institution guided by processes for monitoring and evaluation”;
  - (b) Paragraph 18(i) articulates the Board’s role in establishing a framework for the monitoring and evaluation of performance and the financial accountability of activities supported by the Fund;
  - (c) Paragraph 18(l) states the Board’s role in appointing the head of the evaluation unit and the heads of all accountability units;
  - (d) Paragraph 23(j) specifies that the Secretariat will be responsible for carrying out monitoring and evaluation functions;<sup>1</sup> and
  - (e) Paragraphs 59–62 discuss – among other things – independent evaluations, the purpose of which are to inform decision-making by the Board and to identify and disseminate lessons learned. In section VIII on evaluation, the GI notes:

*59. There will be periodic independent evaluations of the performance of the Fund in order to provide an objective assessment of the results of the Fund, including its funded activities and its effectiveness and efficiency. The purpose of these independent evaluations will be to inform decision-making by the Board and to identify and disseminate lessons learned. The results of the periodic evaluations will be published.*

*60. To this end, the Board will establish an operationally independent evaluation unit as part of the core structure of the Fund. The head of the unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit, in agreement with the Board.*

*61. Reports of the Fund’s independent evaluation unit will be provided to the COP for purposes of periodic reviews of the financial mechanism of the Convention.*

2. In addition, the initial monitoring and accountability framework (MAF) for accredited entities (AEs) requires all AEs to submit two important independent evaluations for all projects or programmes: these are the project interim and final evaluations. They are submitted to the GCF as per a timeline agreed upon by the Secretariat and the AE.<sup>2</sup>
3. At its sixth meeting, the Board approved the terms of reference (TOR) of the Independent Evaluation Unit (IEU) (decision B.06/09),<sup>3</sup> which provided that “the IEU will be responsible to develop and update the evaluation policy of the Fund”.<sup>4</sup>

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<sup>1</sup> In decision GCF/B.10/05 annex V, the TOR of the Head of the IEU, the Board clarified that, “The independent evaluation work is separate from the day-to-day monitoring and evaluation (M&E) work of the Secretariat as per paragraph 23 (j) of the Governing Instrument.”

<sup>2</sup> GCF/B.11/10.

<sup>3</sup> GCF/B.06/09.

<sup>4</sup> The TOR of the IEU were adopted by the Board in decision B.06/09, and can be accessed here: <https://ieu.greenclimate.fund/document/ieu-tor>

4. At its nineteenth meeting, the Board, in decision B.19/21, requested the IEU to prepare the Evaluation Policy (herein ‘the Policy’) for the GCF.<sup>5</sup> As noted in this decision, the TOR of the IEU request the unit to “develop and update the evaluation policy of the Fund”.
5. At its twenty-fourth meeting, the Board confirmed that the Policy is a GCF-wide policy that guides the Board, the Secretariat, the IEU, other independent units, AEs and national designated authorities (NDAs)/focal points.<sup>6</sup>
6. Also at its twenty-fourth meeting, the Board agreed in decision B.24/15 to amend the TOR of the Head of the IEU to reflect that the role encompasses “developing and updating the evaluation policy of the GCF” in accordance with decision B.24/15 paragraph (c). In the same decision, the Board also confirmed that the IEU and the Secretariat are to jointly clarify and delineate the roles, responsibilities and accountabilities in the Policy, and requested the IEU and the Secretariat to present the draft Evaluation Policy for Board consideration.
7. The scope of the Policy covers the evaluation functions of the Fund exercised by the IEU, the Secretariat and AEs as defined under the GCF GI. It also covers the decisions adopted by the Board, relevant TORs and legal agreements. This evaluation function helps the Fund to credibly and objectively assess and measure its performance, results, effectiveness and efficiency in delivering its mandate, including its contribution to promoting a paradigm shift towards low-emission and climate-resilient development pathways. The Policy also covers how the Fund may respond to evaluation capacity development needs, in particular those of direct access entities (DAEs).
8. The Policy may also guide other stakeholders engaged<sup>7</sup> in GCF activities, such as NDAs and focal points, with whom the Fund does not have a formal relationship. The Policy may also provide guidance on the evaluation approach, evaluation criteria and practices of the Fund, and be used on a voluntary basis to inform their own evaluations of Fund activities.
9. The Policy does not cover the monitoring functions of the Fund and its staff, except those directly related to the evaluation function.
10. Earlier versions of the Policy have been submitted variously to the Board since its twenty-first meeting (B.21). A version of the current draft was circulated to the Board for comments from September 2019 to October 2019.
11. This document presents the draft Policy for Board consideration. It was developed in collaboration with the Secretariat – according to decision B.24/15 – and in consultation with relevant partners across the GCF, after a review of best practices and lessons learnt from relevant organizations. Accordingly, annex I of this document presents a draft of a decision for Board consideration. Annex II lays out the GCF Evaluation Policy. Appendix I contains a glossary of terms used in the Policy. Appendix II includes the GCF evaluation criteria. Appendix III describes the timeline of IEU evaluations. Annex III includes descriptions of key elements of evaluation policies in other agencies, and annex IV provides a list of consultations undertaken for the development of the Policy.

## II. Policy rationale

12. The function of evaluation is to help measure and assess expected and unexpected results and consequences and examine how and why change occurred, while also taking into consideration the results management framework (RMF) of the Fund.

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<sup>5</sup> GCF/B.19/43.

<sup>6</sup> Decision B.24/15.

<sup>7</sup> As per decision B.24/15.

13. In the operations of the GCF, evaluations play a critical function in helping the Fund to credibly assess and measure the performance and impact of its funded activities, as well as the effectiveness of its own strategies, policies and operations in contributing towards achievement of the Fund's mandate as set out in its GI, which is to make a significant and ambitious contribution to the global effort to combat climate change, and to promote a paradigm shift towards low-emission and climate-resilient development pathways.
14. To date, the GCF has not consolidated its approach to evaluations, the respective roles, responsibilities and accountabilities of stakeholders in relation to evaluations, nor how evaluations will be integrated into GCF operations on an ongoing basis. The Policy is intended to guide GCF stakeholders (including the Secretariat, the IEU, other independent units, AEs and NDAs/focal points) on these matters.
15. Evaluation at the GCF promotes and supports several functions. These include accountability, learning and knowledge sharing, and evaluation-related capacity development, leadership and dialogue. In promoting accountability, the evaluation function underscores the important role of all GCF stakeholders in ensuring that results are measured, validated, reported and understood, and respond to the GCF mandate, objectives, priorities and RMF. This is essential at the project level since the quality of evaluations are directly dependent upon the strength of the project-level evidence. In supporting learning and knowledge sharing, it specifically recognizes the role of GCF staff as well as evaluation and climate change practitioners, in informing decision-making and improving future operations using evaluative evidence. In supporting evaluation-related capacity development, the Policy recognizes the critical roles GCF AEs, NDAs and other partners play in delivering effective evaluations.
16. The Policy also recognizes that the Fund should take a leadership role in the generation of evaluative evidence, and in the use of state-of-the-art evaluative methods for guiding and informing climate change investments and their performance globally. Overall, the Policy underscores the importance of credible evidence in guiding GCF support for developing countries in their transition to low-emission, climate-resilient development pathways. Further, the Policy recognizes the need for dialogue to fulfil the mandate of the GCF.
17. For the overall aims of the Policy to be met, important conditions need to be fulfilled.
  - (a) First, the Policy assumes there is widespread recognition of the value of evaluations, for both accountability and learning, by the Board, the IEU, the Secretariat and the GCF system overall. It is expected that this will be illustrated by high internal and external demand for high-quality evaluations, as requested (and approved) by the Board. It is also assumed that the Board, the Secretariat, AEs and NDAs will routinely use high-quality evaluations and evidence to inform their strategic and operational decisions.

The Policy also assumes the Board will provide strong guidance and support for the Policy and evaluation function overall, and will review actions from recommendations that originate from evaluations. The Policy further assumes that the Board, the IEU and the Secretariat will provide sufficient and useful guidance and create appropriate enabling conditions for producing and using high-quality evaluations.
  - (b) Second, the Policy assumes there is sufficient human, institutional, budgetary and systems capacity within the Fund and AEs, to inform, undertake and use high-quality evaluations in a timely manner. It especially assumes there is recognition and capacity in the Secretariat and IEU to implement and inform good quality evaluations, and ensure that evaluative evidence is used. It also assumes all GCF investments include sufficient capacities for data and information that are required to inform high-quality evaluations and evidence. Requirements for capacities and resources will be laid out in the standards, guidelines and procedures for operationalization that will be developed collaboratively by IEU and the Secretariat, subsequent to the Policy being approved.

- (c) Third, the Policy assumes the GCF evaluation criteria will be used consistently by the GCF stakeholders to whom the Policy applies, for the evaluation function. The GCF evaluation criteria (as defined in appendix II) are based on the evaluation criteria in the IEU TOR, and also take into account the MAF.

### III. Analysis of policy proposal

18. This Policy sets out the overall approach of the GCF to evaluations, including principles, criteria, and objectives intended to guide evaluations in the GCF context. It specifies the relevant roles, responsibilities and accountabilities of the IEU, other independent units, the Secretariat, AEs, the Board and other stakeholders, in relation to the main types of evaluations undertaken in the GCF considering the provisions of the GCF GI, the IEU TOR, the MAF for the Secretariat and AEs, Board-approved documents and legal agreements with AEs.

19. The main types of evaluations covered by the Policy are:

- (a) Evaluations conducted, commissioned and/or managed by the IEU in accordance with paragraphs 59–61 of the GI and the approved TOR of the IEU ('GCF independent evaluations');
- (b) Evaluations commissioned and/or managed by the Secretariat to fulfil its role on monitoring and evaluation (Secretariat-led evaluations); and
- (c) Project interim and final evaluations that must be submitted to the GCF by AEs in relation to all approved GCF projects or programmes in accordance with the MAF, and which are subsequently considered by the GCF ('AE-led evaluations').<sup>8</sup>

20. The Policy further recognizes there may be evaluations that examine or assess GCF activities and their results or performance, commissioned by the non-independent evaluations offices of the NDAs or AEs, the private sector, civil society or other stakeholders with whom the Fund does not have a binding relationship.

21. The Policy proposes evaluations/reviews/assessments for five different objectives:

- (a) To inform the overall performance of the GCF (that may also be used to inform GCF replenishment as per the Board's decision);
- (b) To inform the overall or groups of strategies of the GCF, and its performance at the country, thematic and sectoral levels, including its portfolio and sub-portfolio;
- (c) To inform learning within sectors and themes;
- (d) To inform GCF processes, implementation and operations; and
- (e) To inform GCF investments and their effectiveness, efficiency, sustainability and relevance.

22. The Policy builds upon, inter alia, the overall evaluation criteria laid out in the approved TOR of the IEU, policies such as the MAF, and the legal agreement guiding various types of evaluations in the GCF.<sup>9</sup>

23. The GCF evaluation criteria shall be applied to all GCF evaluations conducted by the AEs, GCF Secretariat and the IEU, and are included in appendix II.

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<sup>8</sup> These are required from all AEs and submitted to the GCF per the timeline agreed by the Secretariat and the AE. B.11/10. Decisions of the Board – Eleventh meeting of the Board, 2–5 November 2015 (agenda item 15: initial monitoring and accountability framework for accredited entities).

<sup>9</sup> GCF/B.06/09(a). Decisions of the Board – Sixth Meeting of the Board, 19–21 February 2014 (17 April 2014).

24. The GCF evaluation criteria will only apply to entities accredited after the effective date of this policy, and for all other entities at the time of their reaccreditation.

## IV. Consultation

25. In developing the Policy, the IEU consulted with more than 160 stakeholders from inside and outside the Fund, including the Board, the Secretariat, AEs, NDAs, civil society organization (CSO) representatives, and the other independent units of the Fund.<sup>10</sup> The IEU reviewed and analyzed requirements as laid out in the mandate of the GCF (especially – but not only – as stated in the GCF GI and the IEU TOR) and in guidance provided by the United Nations Framework Convention on Climate Change (UNFCCC) and the Conference of the Parties (COP). It also reviewed and analyzed current policies and frameworks of the Fund (to ensure completeness and consistency), and good practices of evaluation functions and policies in comparator agencies (see annex III).

26. A list of consultations held with the Secretariat and AEs is included in annex IV.

## V. Impact assessment

27. Other policies and frameworks are acknowledged and recognized by the Policy, such as the RMF, the Committee of Sponsoring of the Treadway Commission (COSO)<sup>11</sup>, the risk management framework and the investment criteria. Table 1 shows the impact of the Policy on these existing frameworks and policies.

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<sup>10</sup> Consultations on the GCF Evaluation Policy (see annex IV for details) took place during IEU presentations at Board meetings, structured dialogues, meetings with delegations, webinars, individual interviews, as well as through two rounds of the platform (with Board, with AEs): the first from late December 2018 to early 2019, the second in May 2019. The process took more than 15 months and reached more than 160 people, as follows:

- Members of the Board (24), including outgoing and new Board members, and Board advisors (13);
- Staff from different GCF units and divisions (34) and from the independent units;
- Members of the UNFCCC secretariat (2);
- Members of NDAs (4);
- Representatives of AEs (29);
- Representatives of CSOs (31), including observers;
- Representatives of the private sector (2), including observers;
- The Evaluation Policy Reference Group (8) or other United Nations agencies (6), and advisors to the IEU Head (3);
- and
- Other GCF stakeholders (11), including regional advisors, AE candidates, etc.

<sup>11</sup> Decision B.BM-2015/06: Decision of the Board on the Administrative Guidelines on the Internal Control Framework and Internal Audit Standards.

**Table 1: Policy impact analysis**

No.	GCF POLICY OR FRAMEWORK	RELEVANT ELEMENTS FOR THE POLICY AND ROLE OF THE GCF AND AEs	EVALUATION POLICY IMPACT
1.	RMF/performance management frameworks (PMF)	Indicators specified in the framework are used for results management during the lifecycle of a GCF investment. Core, impact and outcome indicators in the RMF are reported by GCF entities in the annual performance reports (APRs). These indicators are also covered in project-level evaluation reports (interim and final) submitted by AEs to the GCF.	The Policy has taken into consideration the RMF/PMF as well as the development process of the new integrated results management framework (IRMF). The Policy provides further guidance on the data and information needed for individual indicators to improve overall project evaluability.
2.	Risk management framework of the Fund, and COSO	Risks are identified for systems, projects, and AEs; methods for mitigation are set up under the guidance of the Secretariat.	No direct impact.
3.	Investment criteria	Investment criteria are used for assessing GCF potential investments, in reporting results, in annual performance reports, project completion reports, in project evaluations and evaluations of GCF projects and programmes.	No direct impact.
4.	MAF	<p>The Secretariat carries out monitoring and evaluation functions as per the MAF based on the provisions in the GI. The framework is built on two components: monitoring of AE compliance with the accreditation standards of the GCF, and monitoring and evaluation of individual funded activities (projects or programmes).</p> <p>As per the MAF, evaluations of GCF projects and programmes are submitted by the AEs on performance and results, in interim and final evaluation reports. Accredited entities also report on indicators provided in other policies such as those on the environmental and social safeguards (ESS), fiduciary standards, and gender policy.</p>	<p>The Policy clarifies further aspects of the evaluation function of the Fund.</p> <p>The GCF evaluation criteria will apply to independent and final evaluations for projects and programmes implemented by entities accredited after the effective date of this Policy, and for all other entities at the time of their re-accreditation.</p> <p>Amendments will be needed in the MAF to reflect the need for the application of the GCF evaluation criteria to AE-led evaluations.</p>
5.	Policies, frameworks and/or guidelines relevant to the	The IIU undertakes investigations of integrity-related issues.	The Policy may be applied in Board-mandated evaluations of the integrity function of the Fund,

No.	GCF POLICY OR FRAMEWORK	RELEVANT ELEMENTS FOR THE POLICY AND ROLE OF THE GCF AND AEs	EVALUATION POLICY IMPACT
	Independent Integrity Unit (IIU) <sup>12</sup>		including the effectiveness of integrity policies.
6.	Policies, frameworks and/or guidelines relevant to the independent Redress Mechanism <sup>13</sup>	The independent Redress Mechanism takes on redress cases when they qualify, and the Unit reports to the Board on lessons and insights gained while handling these cases.	The Policy may be applied in Board-mandated evaluations of the redress mechanism function of the Fund.
7.	Policies, frameworks and/or guidelines relevant to the IEU <sup>14</sup>	The IEU is responsible for GCF independent evaluations.  The IEU undertakes evaluations, learning and capacity development (including learning-oriented real-time impact assessment (LORTA)).	The Policy will apply to evaluations undertaken by the IEU and other functions of the IEU.  The IEU will develop standards for application to AE-led evaluations.  The Policy will apply in a Board-mandated evaluation of the evaluation function.
8.	Information disclosure policy	Reaffirms commitment to transparency and accountability by the GCF.	The Policy further reaffirms the commitment made to transparency and accountability by the GCF, through various evaluations.
9.	All other policies, programmes and frameworks of the Fund	After Board approval, the Secretariat and/or the independent units, as relevant, are responsible for implementing policies and programmes and for ensuring their incorporation into the design, implementation and envisioned results of the GCF. Examples include policies on indigenous peoples; mainstreaming gender; ESS; prohibited practices; anti-money laundering and combating the financing of terrorism; protection of whistle-blowers and witnesses; sexual exploitation; etc.	The Policy provides further guidance and clarity in relation to other existing policies or frameworks in relation to evaluation.

28. The Policy will have budgetary and human resource implications for AEs, the Secretariat and the IEU, and provides an indication of the necessary resources for the efficient execution of the evaluation of the Fund, and for efficient monitoring and evaluation of GCF projects and

<sup>12</sup> To illustrate, the Board has adopted the following policies: Policy on Prohibited Practices; Policy on the Protection of Whistleblowers and Witnesses; and Policy on the Prevention and Protection from Sexual Exploitation, Sexual Abuse, and Sexual Harassment.

<sup>13</sup> For instance: Procedures and Guidelines of the Independent Redress Mechanism.

<sup>14</sup> For instance, the TOR of the IEU, and the TOR of the Head of the IEU.

programmes. These parameters shall be reflected in the design of the Secretariat and IEU annual workplans and budgets, as well as approved funding proposals.

29. This will impact AEs who will require further development of their capacities as part of Evaluation Policy operationalization.

**Table 2: Impact of Evaluation Policy on current policies/ practices.**

EVALUATION TYPE	CURRENT POLICIES/PRACTICE	EVALUATION POLICY IMPACT
GCF independent evaluations	Undertaken in accordance with the TOR of the IEU, which are applicable only to IEU.	To be undertaken in accordance with the provisions of the Policy, with clarity and certainty on areas such as evaluation criteria, management responses.  The Policy provides clear roles for stakeholders such as the GCF Secretariat and AEs.
Secretariat-led	The Secretariat can undertake ex-post impact evaluations of projects at its cost in accordance with the relevant legal agreements, or conduct ad-hoc checks on projects. Additionally, the Secretariat may commission thematic portfolio reviews or evaluations as part of its portfolio management function, and in relation to improving GCF programming activities.	To be undertaken in accordance with the provisions of the Policy, with clarity and certainty on areas such as evaluation criteria.  The Policy provides clear roles for other stakeholders such as IEU and AEs.
AE-led	Undertaken in accordance with the relevant legal agreements, and AEs' own standards	Accredited entity-led evaluations will be undertaken consistently in accordance with the provisions of the Policy, and the standards and guidelines developed by the GCF.  The Policy provides clear roles for stakeholders such as the Secretariat and IEU.

## VI. Implementation arrangements

30. Once the Policy is approved by the Board, and in keeping with international best practices, the IEU will, in collaboration with the Secretariat, develop standards for evaluation. Furthermore, the Secretariat, in collaboration with the IEU, will develop operational guidelines and procedures that will guide AEs and other entities. The Secretariat and the IEU will be responsible for updating these documents in consultation with GCF stakeholders.

31. The Secretariat and the IEU will also be jointly responsible for communicating standards, guidelines and procedures, so that these are widely adopted and used within the Fund and amongst its stakeholders. Other GCF stakeholders may also request the IEU or the Secretariat for advice, capacity building and guidance on evaluation criteria, standards and procedures and guidelines. Stakeholders of the GCF will be responsible for co-learning from experiences in implementing the Policy.

32. The Policy will become effective at the end of 2021, or a year after Board approval, whichever is later.
33. Currently, no specific guidance is available on budgets for different evaluations. The Policy proposes predictable budgets for evaluations at different levels as follows:
- (a) Following the IEU TOR, the Board reviews and approves the three-year rolling work plans of the IEU and its annual work programme and budget. The IEU budget should be linked to the size of the GCF programming envelope and should not exceed 1 per cent of the programming envelope of the GCF;
  - (b) The GCF project/programme budgets should include a budget line for the generation and collection of evaluative data for projects/programmes. This budget is exclusive of interim and final evaluations costs, which are covered by AE fees. Overall evaluation budgets included within project budgets, consistent with global evaluation international best practices, should be up to 5 per cent of the project budget; and
  - (c) The Secretariat's monitoring and evaluation function, including for ad-hoc checks and impact evaluations, should be supported by a robust annual budget in the range of 1–2 per cent of the Secretariat administrative budget.

## **VII. Monitoring and review**

34. The Policy will be first reviewed by the Board five years after its adoption, to provide the flexibility required through the early stages of the Fund's implementation given its dynamic nature, and to support new relevant guidance from the UNFCCC and the COP.

## **VIII. Recommended action for the Board**

35. It is recommended that the Board adopt the draft decision in annex I, which adopts the Evaluation Policy set out in annex II and requests the IEU and the Secretariat to further develop arrangements to implement the policy.

## **Annex I: Draft decision of the Board**

The Board, having considered document GCF/B.28/05/Rev.01 titled “Evaluation Policy for the GCF”:

- (a) Adopts the Evaluation Policy for the GCF as presented in annex II to this document; and
- (b) Requests the Independent Evaluation Unit (IEU) to develop standards in collaboration with the Secretariat, and requests the Secretariat, in consultation with the IEU, to develop monitoring protocols, toolkits and guidelines that take into account the Evaluation Policy and the integrated results management framework.

## Annex II: Evaluation Policy for the GCF

### I. Basis for the GCF evaluation function

1. The Governing Instrument (GI) for the Green Climate Fund (GCF or the 'Fund') emphasizes the importance of evaluation for the Fund. Specifically:
  - (a) Paragraph 3 calls upon “the Fund ... [to be] a continuously learning institution guided by processes for monitoring and evaluation”;
  - (b) Paragraph 18(i) articulates the Board’s role in establishing a framework for the monitoring and evaluation of performance and the financial accountability of activities supported by the Fund;
  - (c) Paragraph 18(l) articulates the Board’s role in appointing the head of the evaluation unit and the heads of all accountability units;
  - (d) Paragraph 23(j) specifies the Secretariat will be responsible for carrying out monitoring and evaluation functions;<sup>1</sup> and
  - (e) Paragraphs 59–62 discuss independent evaluations, the purpose of which are to inform decision-making by the Board and to identify and disseminate lessons learned. Specifically:

*59. There will be periodic independent evaluations of the performance of the Fund in order to provide an objective assessment of the results of the Fund, including its funded activities and its effectiveness and efficiency. The purpose of these independent evaluations will be to inform decision-making by the Board and to identify and disseminate lessons learned. The results of the periodic evaluations will be published.*

*60. To this end, the Board will establish an operationally independent evaluation unit as part of the core structure of the Fund. The head of the unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit, in agreement with the Board.*

*61. Reports of the Fund’s independent evaluation unit will be provided to the COP for purposes of periodic reviews of the financial mechanism of the Convention.*

2. In addition, the initial monitoring and accountability framework (MAF) for accredited entities (AEs) requires all AEs to submit two important independent evaluations for all projects or programmes, these being the project interim and final evaluations. These are submitted to the GCF as per a timeline agreed upon by the Secretariat and the AE.<sup>2</sup>

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<sup>1</sup> In decision GCF/B.10/05 annex V, the TOR of the Head of the IEU, the Board clarified that, “The independent evaluation work is separate from the day-to-day monitoring and evaluation (M&E) work of the Secretariat as per paragraph 23 (j) of the Governing Instrument”.

<sup>2</sup> GCF/B.11/10.

3. At its sixth meeting, the Board approved the terms of reference (TOR) of the Independent Evaluation Unit (IEU) (decision B.06/09), which provided that “the IEU will be responsible to develop and update the evaluation policy of the Fund”.<sup>3</sup>
4. At its nineteenth meeting, the Board, in decision B.19/21, requested the IEU to prepare the Evaluation Policy (herein “the Policy”) for the GCF. <sup>4</sup> As noted in this decision, the TOR of the IEU requests that it “develop and update the evaluation policy of the Fund”.
5. At its twenty-fourth meeting, the Board confirmed the Policy is a GCF-wide policy that guides the Board, the Secretariat, the IEU, other independent units, AEs and national designated authorities (NDAs)/focal points.
6. Also at its twenty-fourth meeting, with decision B.24/15, the Board agreed to amend the TOR of the Head of the IEU to reflect that the role encompasses “developing and updating the evaluation policy of the GCF” in accordance with B.24/15 paragraph (c). In the same decision, the Board also confirmed the IEU and the Secretariat jointly clarify and delineate the roles, responsibilities and accountabilities in the Policy, and requested the IEU and the Secretariat to present the draft Policy for Board consideration.

## II. Objective

7. The objective of the Policy is to set out the approach of the GCF to evaluations, including establishing principles and criteria for evaluations, identifying the main types of evaluations managed by the GCF, and establishing the roles and responsibilities of stakeholders in relation to such evaluations. The Policy is adopted by the Board, and its stakeholders include the Secretariat, the IEU, the independent Redress Mechanism, the Independent Integrity Unit (IIU), AEs, NDAs, civil society, the private sector and others.
8. The Policy sets up a framework to help the Fund and its stakeholders produce and use high-quality evaluations to credibly and objectively assess the results, performance, efficiency and effectiveness of the GCF in delivering its mandate. In this way, the Policy is designed to cover a robust evaluation function that contributes to the overall performance of the Fund through developing accountability and creating a culture of learning built from producing and using impartial, credible, independent and trusted evidence and evidence-informed strategies and implementation.

## III. Scope of the Evaluation Policy

9. The Policy is a GCF-wide policy that guides the Board, the Secretariat, the IEU, other independent units, AEs and NDAs/focal points.
10. The scope of the Policy covers the evaluation functions of the Fund exercised by the IEU, the Secretariat and AEs as defined under the GCF GI; decisions adopted by the Board; relevant TOR; and legal agreements. This evaluation function helps the Fund credibly and objectively assess and measure its performance, results, effectiveness and efficiency in delivering its mandate, including its contribution to promoting a paradigm shift towards low-emission and climate-resilient development pathways. The Policy also covers how the Fund may respond to the evaluation-capacity development needs of AEs and other entities associated with the GCF.

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<sup>3</sup> The TOR of the IEU were adopted by the Board in decision B.06/09, and can be accessed here:  
<<https://ieu.greenclimate.fund/document/ieu-tor>>

11. The Policy may also guide other stakeholders engaged in GCF activities – with whom the Fund does not have a formal relationship – on the evaluation approach, criteria and practices of the Fund, and be used on a voluntary basis to inform their own evaluations of Fund activities.
12. The Policy does not cover the monitoring functions of the Fund and its staff, except those directly related to the evaluation function.

#### **IV. Theory of change**

13. The overall theory of change for the evaluation function is based on the following rationale: trusted, high-quality evidence produced from credible evaluations helps to inform GCF investments, policies, structure, performance, processes and strategies by informing and guiding the Fund for its day-to-day operations and providing strategic guidance to the Board, the Secretariat, independent units and AEs. This, in turn, ensures GCF investments have greater impact and that they are expected to contribute to building a healthier planet.
14. The theory of change underscores the critical roles the Board, the IEU, the Secretariat, NDAs, AEs and civil society organizations (CSOs) play in ensuring successful implementation of the Policy. For the overall aims of the Policy to be met, important conditions need to be fulfilled.
  - (a) First, the Policy assumes there is widespread recognition of the value of evaluations – both in accountability and learning – by the Board, the IEU, the Secretariat and the GCF system overall. It is expected that this will be illustrated, for example, by high internal and external demand for high-quality evaluations, as requested (and approved) by the Board or the Secretariat. It is also assumed that the Board, the Secretariat, AEs and NDAs routinely use high-quality evaluations and evidence to inform their strategic decisions.

The Policy also assumes the Board provides strong guidance, supports the evaluation function and Policy, and reviews actions from recommendations that originate from evaluations. The Policy assumes that the Board, the IEU and the Secretariat provide sufficient and useful guidance and create appropriate enabling conditions for producing and using high-quality evaluations.

- (b) Second, it assumes there is sufficient human, institutional and systems capacity within the Fund and AEs to inform, undertake and use high-quality evaluations in a timely manner. It especially assumes that the IEU and the Secretariat are well-resourced and that there is the recognition and capacity to implement and inform good quality evaluations, and ensure that evaluative evidence is used. It also assumes that all GCF support provides sufficiently for the data and information that are required to inform high-quality evaluations and evidence. Requirements for capacities and resources will be laid out in the standards and guidelines/procedures that will be developed subsequent to the Policy being approved.
- (c) Third, the Policy assumes that the GCF evaluation criteria will be used consistently by the GCF stakeholders to whom the Policy applies for the evaluation function. The GCF evaluation criteria (appendix II) are based on the evaluation criteria in the IEU TOR, and also take into account the MAF.

#### **V. Principles for evaluations**

15. All evaluations undertaken by the IEU, the Secretariat and AEs will uphold the following principles:

- (a) **Impartial, objective and unbiased:** All GCF evaluations (section VII) will be impartial, objective and unbiased. All evaluations will be operationally and analytically unbiased and will adhere to the highest ethical standards while upholding the Fund’s procedures and policies that address conflicts of interest<sup>5</sup> and those that are specific to the evaluation profession. These include, for example, the United Nations Evaluation Group’s (UNEG) Code of Conduct for Evaluations (2008);<sup>6</sup>
- (b) **Relevance, use and participation:** All evaluations must be relevant to the question at hand and should be suitable for decision-making, accountability and learning. They should provide relevant guidance, and should be timely and participatory;
- (c) **Credibility and robustness:** All GCF evaluations need to be complete, fair and based on state-of-the-art standards of evidence, analyses and transparency. Methodologies used should be credible enough such that findings and conclusions of evaluations would be replicable if others followed a similar evaluation methodology; and
- (d) **Measurability:** All evaluations should, to the extent possible, be able to measure, either quantitatively or qualitatively, the performance of the GCF at all levels. This will only be possible if GCF investments incorporate the capacity and systems for rigorous data collection and real-time information in its investments, policies and frameworks. Measurability also provides comparability between time frames, groups or alternative theories.

**Table 1: GCF evaluation principles**

GCF EVALUATION PRINCIPLES	PROVISIONS FOR UPHOLDING THE GCF EVALUATION PRINCIPLES
Impartial, objective and unbiased	<p>At institutional level, impartiality, objectivity and unbiased principles will be ensured by an independent mandate, clear roles and responsibilities, sufficient and predictable IEU and overall evaluation budgets, independent reporting lines and independent quality assurance. High-quality, independent evaluations/reviews/assessments must be free from external influence and bias in their design, selection, frameworks, data collection, analysis, findings, conclusions, and recommendations.</p> <p>In accordance with this, all evaluations undertaken by the IEU and AEs’ independent evaluation offices are considered independent since they are independent of management and operations, use independently collected information and widely recognized standards and methods, include systems, methods, ethical guidelines and processes to ensure impartiality, objectivity and unbiasedness, have independent budgets and reporting lines, report directly to their governing bodies and produce evaluations/reviews/assessments that are openly available and disseminated publicly.</p> <p>In line with the UNEG norms, evaluation team members must not be directly responsible for the policy-setting, design or management of an evaluation subject.</p>
Relevance, use and participation	<p>All evaluation approach papers should have a well-defined dissemination and knowledge management plan.</p> <p>To ensure use and relevance, the choice and timing of evaluations should maximize benefits for stakeholders and should encourage the participation of all relevant stakeholders. High-quality evaluations should indicate the extent to which their results</p>

<sup>5</sup> GCF/B.10/13/Rev.01. Policies on Ethics and Conflicts of Interest, 8 July 2015. GCF/B.09/03. Policy on Ethics and Conflicts of interest for the Board, 16 April 2015.

<sup>6</sup> The IEU is to develop guidelines for conflicts of interest in evaluations, taking into consideration the GCF policies on conflicts of interest. The IEU is an observer in UNEG.

GCF EVALUATION PRINCIPLES	PROVISIONS FOR UPHOLDING THE GCF EVALUATION PRINCIPLES
	<p>inform the replication and scaling up of investments, operations, policies and practices, and inform how and to what extent there are potential impacts on stakeholders.</p> <p>Recommendations from all evaluations should be presented to and discussed with the commissioning authority (e.g. the Board, the Secretariat), and be clear on responsibility and timing. In the case of GCF independent evaluations, decisions from the Board in relation to these evaluations should be followed up by the Secretariat/the evaluand, in consultation with other relevant GCF stakeholders.</p>
Credibility and robustness	<p>All GCF evaluations must incorporate pre-determined protocols or approaches or evaluation matrices, be based on well-researched scoping work, and must use high-quality, independent and relevant data and independent analyses. Findings and results must be triangulated using different methods (ideally ‘mixed-methods’) and should be benchmarked against similar programmes to ensure best learning. They should also contribute to and be informed by evidence reviews, which will enable GCF evaluations to build on existing bodies of relevant global evidence.</p>

16. All evaluations should focus on using credible and independent data and methodologies that measure and assess what, how, and how much the GCF is contributing to the mitigation of and adaptation to climate change. Mixed methods are standard across the world and should be employed by all GCF evaluations.

## VI. Evaluation criteria

17. The GCF evaluation criteria as set out in appendix II shall be applied to all GCF evaluations conducted by AEs, the Secretariat and IEU.

18. The GCF evaluation criteria will only apply to entities accredited after the effective date of this Policy, and for all other entities at the time of their reaccreditation, as explained in paragraph 13(iii).

## VII. Types of evaluations

19. The Policy recognizes three types of evaluations.

20. GCF independent evaluations: Evaluations conducted, commissioned and/or managed by the IEU in accordance with paragraphs 59–61 of the GI, and the IEU-approved TOR.

21. Secretariat-led evaluations: Evaluations commissioned and/or managed by the Secretariat to fulfil its role on monitoring and evaluation. As stated in its TOR, the IEU may also attest to the quality of self-evaluations if requested by the Board.

22. AE-led evaluations: Project interim and final evaluations that must be submitted to the GCF by AEs in relation to all approved GCF projects or programmes in accordance with the MAF, and which are subsequently considered by the GCF.<sup>7</sup> These are required from all AEs (and are

<sup>7</sup> These are required from all AEs and submitted to the GCF per the timeline agreed by the Secretariat and the AE. B.11/10. Decisions of the Board – Eleventh meeting of the Board, 2–5 November 2015 (agenda item 15: initial monitoring and accountability framework for accredited entities).

submitted to the GCF as per a timeline agreed in the funded activity agreement (FAA)).<sup>8</sup> The interim and final evaluations are critical for informing and improving the implementation of projects or programmes, and for helping the Fund to report on results and lessons relevant to GCF objectives. All project-level evaluations should be submitted to the Secretariat. Accredited entities may conduct impact evaluations for GCF funded activities, in collaboration with the GCF.

23. The IEU will be responsible for guiding, assisting and advising on real-time impact assessments/evaluations (such as learning-oriented real-time impact assessments (LORTA)) for a selection of the GCF funded activities portfolio. The IEU would select projects/programmes in coordination with the Secretariat, which will further participate in the implementation of LORTA for learning purposes.

24. The Fund may also carry out ex-post evaluations following the end of project/programme implementation at its own cost, and with reasonable notice to AEs. These evaluations can either be Secretariat-led evaluations or IEU independent evaluations. Accredited entities, in accordance with the relevant legal agreements, shall cooperate with the Fund in the conduct of such evaluations and provide such information and documentation as may be reasonably requested by the Fund.

**Table 2: Roles for IEU, Secretariat and AEs (including their independent evaluation offices) and categories of evaluations**

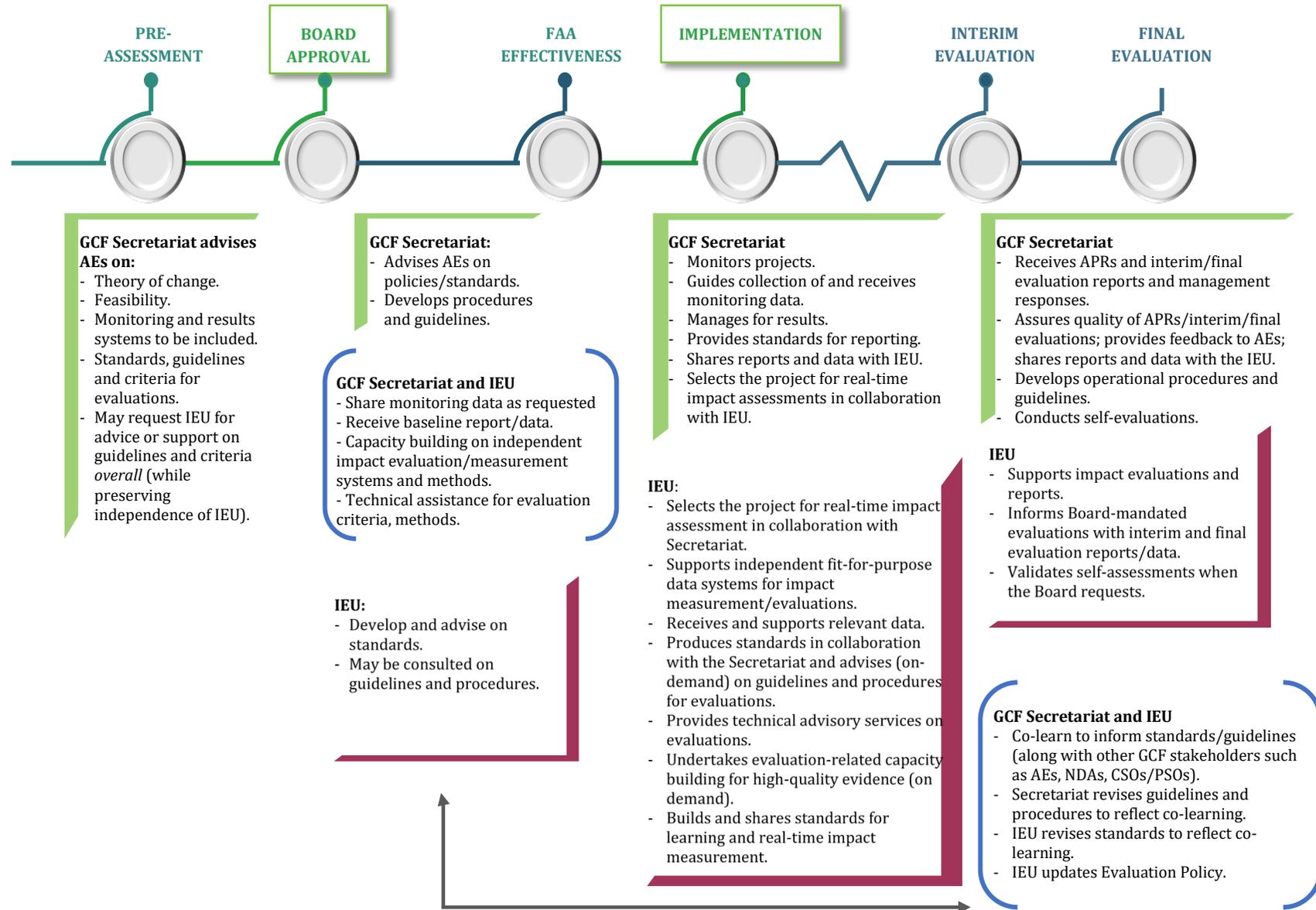
EVALUATION CATEGORIES <sup>9</sup>	ROLE OF IEU	ROLE OF AEs (INCLUDING INDEPENDENT EVALUATION OFFICES OF AEs)	ROLE OF SECRETARIAT
IEU independent evaluations	Responsible	Cooperates with the IEU in independent evaluations.  Under this policy and in accordance with the relevant legal agreements with the GCF, informs and shares/provides monitoring data – and all other reports beyond the requirements laid out in the MAF – with the IEU in a timely manner. Facilitates engagement with project/programme stakeholders on the ground in the evaluation of GCF investments.	Informs and shares/provides relevant data, including annual performance reports (APRs), and shares all reports with the IEU in a timely manner for Board-mandated evaluations.  Facilitates engagement with project/programme stakeholders in the evaluation of GCF investments, as appropriate.
Secretariat-led evaluations	Performs quality assurance upon request by the Board.	In accordance with the MAF and relevant legal agreements, informs, provides/shares monitoring data and relevant project reports.  Facilitates engagement with project/programme stakeholders on the ground in the evaluation of GCF investments.	Responsible.  Informs and engages with AEs, NDAs, and other GCF stakeholders to access monitoring and data relevant for self-evaluations.  Engages with the IEU in Board-mandated quality assurance of Secretariat self-evaluations.

<sup>8</sup> B.11/10. Decisions of the Board – Eleventh meeting of the Board, 2–5 November 2015 (agenda item 15: initial monitoring and accountability framework for accredited entities).



EVALUATION CATEGORIES <sup>9</sup>	ROLE OF IEU	ROLE OF AEs (INCLUDING INDEPENDENT EVALUATION OFFICES OF AEs)	ROLE OF SECRETARIAT
		<p>Shares at its discretion self-evaluation reports related to GCF investments, in a timely manner.</p>	
<p>AE-led evaluations</p>	<p>Reviews efficiency and effectiveness of Secretariat on operationalization and enforcement of evaluation policy and standards.</p>	<p>Responsible.</p> <p>In accordance with the relevant legal agreements with the GCF, the AEs' independent evaluation offices are responsible for either producing or quality-assuring interim/final evaluations at AE level. (When no structural independent office is available, the AE reports exception to the Secretariat.)</p> <p>Submits reports of interim and final evaluations to the Secretariat.</p> <p>Shares, at its discretion, reports with the GCF relating to the knowledge-sharing and learning function of the GCF, in a timely manner.</p> <p>Shares monitoring data and other relevant project data, implementation/evaluation reports with IEU in support of Board-mandated independent evaluations.</p>	<p>Responsible, or quality assures AE project/programme evaluation reports in line with the MAF, GCF policy and legal agreements, to ensure compliance with the GCF Evaluation Policy and standards and guidelines.</p>

**Figure 1: GCF funding proposals: Roles of Secretariat and IEU**



## VIII. Institutional arrangements, roles and responsibilities

25. The following roles are anticipated.

26. **The United Nations Framework Convention on Climate Change (UNFCCC) and the Conference of the Parties (COP):** The GCF has been established as per a decision of the COP, and the monitoring and evaluation function of the Fund is placed within the Secretariat. The Board established an operationally independent IEU as part of the core structure of the Fund.

27. As per the GI of the GCF, the UNFCCC/COP may commission an independent assessment of the overall performance of the Fund. As per the TOR of the IEU, the IEU is required to submit its independent reviews to the COP to inform periodic reviews of the GCF, including an overall performance study of the Fund.

28. **The Board:** Approves the Policy, and safeguards its effectiveness and implementation. It receives evaluations/assessments/reviews undertaken by the IEU and receives management responses from the Secretariat. The Board is expected to actively consider findings and recommendations from IEU evaluations, and to incorporate them into the policies and advice it provides to the Fund overall. The Board also receives management action reports prepared by the IEU.

29. **The Secretariat:** The Secretariat, together with other GCF stakeholders, is responsible for building a corporate culture that fosters learning and incorporates evaluation findings and recommendations into its decision-making, management, operations, strategies, budgets and practices. The Secretariat shall ensure in its strategic and working plans, that there are adequate human and financial resources requested from the Board, for implementing the Policy and undertaking monitoring and evaluation functions, and managing GCF investments for results (also see figure 1).

30. The Secretariat can provide guidance to ensure GCF projects and programmes have adequate resources devoted to undertaking evaluations during approval. The Secretariat also manages, commissions and supports evaluations/reviews/assessments of programmes, strategies, processes and policies and of selected GCF investments (in agreement with the AEs) in accordance with the Secretariat's Board-approved work plan.

31. The Secretariat is also responsible for receiving, reviewing and assuring the quality of interim and final evaluations. These independent or self-evaluations will be submitted to the GCF by the AE in line with the MAF.

32. The Secretariat shall provide guidance on collecting and reporting monitoring data. These data are critical for informing the processes and outputs of the Fund's activities, as well as their implementation fidelity and evaluations overall. In its role, the Secretariat is expected to inform the performance-measurement frameworks of GCF projects and programmes.

33. The Secretariat, in coordination with IEU, will develop operational guidelines and procedures to be used by AEs in undertaking evaluations.

34. With respect to project/programme evaluation reports and APRs, as well as other necessary data, the Secretariat will, in accordance with the requirements of the Fund's Information Disclosure Policy (IDP), create a mechanism to systematically share them on a publicly available database.

35. In instances where information is required by IEU for the completion of Board-commissioned evaluations (the reviews of which have not been completed by the Secretariat), or where confidential information has been redacted from publicly available versions, the Secretariat will share this information with the IEU within a reasonable time frame. Service-level agreements that include timelines for the sharing of such reports may guide the interactions between the Secretariat and the IEU.

36. The Secretariat will also receive evaluations undertaken by the IEU and prepare management responses for Board review.
37. The Secretariat, in line with the execution of the GCF monitoring and evaluation function, will synthesize findings and disseminate the lessons learned from evaluations to inform the Board, the Secretariat and other GCF stakeholders.
38. Finally, the Secretariat will be responsible for building the capacity of AEs, with a particular focus on the capacity building of direct access entities (DAEs), in relation to the Policy. The Secretariat is also responsible for supporting the delivery of accreditation and reaccreditation functions, as well as supporting the capacity building of AEs in this regard, to ensure adherence to GCF standards. The Secretariat will lead AE capacity building while taking into account GCF evaluation standards, and would seek the support of the IEU in these efforts, which are in line with the IEU TOR.
39. **Accredited entities (operational units and independent evaluation offices):** Accredited entities are critical partners in evaluations and are responsible for conducting AE-led evaluations. The operational units of AEs and their independent evaluation offices (where present) are critical partners that support self and independent evaluations, respectively.
40. It is the responsibility of AEs to demonstrate during the accreditation application process (and thereafter) that they have the capacity and systems to implement the Policy, including being able to ensure that timely and credible monitoring and (at the least) the functionally independent evaluation of project implementation and performance is feasible and undertaken for GCF investments.<sup>1</sup>
41. Accredited entities are also responsible for ensuring that financial support for interim and final evaluations is budgeted adequately and allocated, and available in a timely manner. Green Climate Fund project/programme budgets should include a budget line for the generation and collection of evaluative data for projects/programmes. This budget is exclusive of interim and final evaluations costs, which are covered by AE fees. Overall evaluation budgets included within project budgets, consistent with global evaluation international best practices, should range from 2–5 per cent of the project budget.
42. A management response and action plan to address recommendations from interim and final evaluations should also be prepared by the operational unit of the AE and shared with the Secretariat.
43. The independent evaluation offices of AEs are responsible for undertaking AE-led evaluations. The independent evaluation offices of AEs, in accordance with their obligations under the respective legal agreements, may assure the independence of these evaluations by conducting evaluations themselves (and applying the GCF evaluation criteria), by contracting [an] independent evaluator[s], or by quality-assuring self-evaluations that are undertaken by the operational units of AEs (and providing their reports alongside these evaluations to the GCF).
44. If an AE does not have a structurally independent evaluation office, AEs may draw on the independence of their evaluation function (as required by the GCF and included in the accreditation checklist) to produce and quality-assure project evaluations, while reporting the exception to the Secretariat, which will receive and assure the quality of these evaluations as noted above.<sup>2</sup>
45. In accordance with the relevant legal agreements, AEs shall cooperate with the Fund and provide it with assistance in carrying out its evaluation functions as may be reasonably

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<sup>1</sup> This is already a requirement in the GCF accreditation process.

<sup>2</sup> Interim and final evaluations are governed by accreditation master agreements (AMAs) and the relevant legal agreements. Guidelines and procedures for interim and final evaluations will be co-developed by the IEU and the Secretariat, which will be responsible for interfacing with and communicating these to the AE/executing entity.

requested by the Fund. All evaluation data will be shared with the GCF (the Secretariat and the IEU).

46. **Other stakeholders:** In addition to NDAs, this Policy also recognizes the roles of CSOs and the private sector, and the wider evaluation community. These partners will receive all independent evaluations conducted by IEU, according to the IDP of the GCF (see section IX). They are encouraged to ensure that lessons from evaluative evidence are used to improve the quality of subsequent designs, operations, processes and results, and that these lessons are disseminated among their networks.

47. The IIU and independent Redress Mechanism are key partners in the implementation of the Policy since they provide independent data and analysis. They also receive evidence and reports from all IEU evaluations.

48. The independent Technical Advisory Panel (TAP) is expected to be informed by, to review, and to consider evaluative evidence and lessons from evaluations in their independent technical project assessments. The IEU is committed to providing and sharing learning – and lessons from its independent quality review of GCF investments – with the TAP.

### Independent Evaluation Unit

49. The IEU was established by the Board, and its TOR were approved at the sixth meeting of the Board, to:

- (a) Inform the decision-making of the Board and provide strategic guidance through the identification and dissemination of lessons learned, and to contribute to guiding the GCF and its stakeholders as a learning institution;
- (b) Conduct periodic independent evaluations of GCF performance to objectively assess the results of the GCF and the effectiveness and efficiency of its activities; and
- (c) Provide evaluation reports to the UNFCCC, the COP and the Paris Agreement for the purposes of periodic reviews of the Financial Mechanism.

50. The IEU is the custodian of the GCF Evaluation Policy. The IEU will advise on the effective implementation of this Policy in cooperation with the Secretariat. The IEU shall recommend updates to the Policy to the Board, periodically, and in cooperation with the Secretariat, recognizing the Secretariat's vital role in the review, update and implementation of the policy. The IEU shall develop standards in collaboration with the Secretariat, and the Secretariat will develop guidelines to implement the Policy, in collaboration with the IEU, that ensure the Fund is able to inform its overall results, successes and unintended consequences in a credible and measurable manner. In updating this Policy, the IEU will engage with stakeholders and draw upon their advice and feedback.

51. The IEU shall, every five years with the support of the Secretariat, present a report on issues related to the implementation of this Policy, along with any recommendations for changes to it. The report will include a review of evaluation budgets and lessons learned from integrated results management framework (IRMF) implementation.

52. As per this Policy, the IEU will be responsible for undertaking independent evaluations/reviews/assessments. Additionally, upon request by the Secretariat, the IEU could provide technical support in the design or implementation of evaluations or reviews to be conducted or managed by the Secretariat. The IEU can also attest to the quality of self-evaluations by the Secretariat as approved in the IEU TOR upon request by the Board. The IEU may undertake evaluability assessments as well as impact evaluations, in line with their Board-approved TOR, at the different stages of implementation of GCF projects or programmes, in cooperation with the AEs. The IEU will synthesize findings and lessons learned from evaluations to inform the Board, the Executive Director and stakeholders.

53. The IEU will be responsible, in collaboration with the Secretariat, for advising, guiding and assisting real-time impact assessments/evaluations for a selection of the funded activities portfolio, such as LORTA. The IEU will receive all data and reports generated through these real-time impact assessments and also share these with the Secretariat. The IEU, in coordination with the Secretariat, would select projects/programmes for LORTA. The Secretariat will further participate in the implementation of LORTA for learning purposes.
54. As the learnings from real-time impact assessments/evaluations are utilized in project/programme implementation, they can inform the improvement of funding proposals and their review processes, and could also be important for adaptive management (e.g. changes to log frames).
55. The IEU will strengthen evaluation capacities in AEs (including DAEs) and intermediaries to enable evaluation of their Fund portfolio activities. The IEU will assume, as established in its TOR, a leadership role in the evaluation community regarding climate change, and actively participate in relevant evaluation networks. Furthermore, the IEU will work on establishing and leading a community of practice of evaluators working in the climate change space.
56. To promote learning and dialogue, the IEU will disseminate lessons learned to Board members, AEs, the Secretariat and other actors. The IEU independent evaluations will incorporate lessons learnt from research and prior IEU evaluations.
57. Annex V shows the sequence of how IEU independent evaluations are approved, submitted and followed up.
58. In keeping with best practices in the field, the following institutional commitments are proposed:
- (a) Under this Policy, the performance, implementation and results of all GCF projects and programmes, policies and strategies may be evaluated. Standards for evaluations will be developed by the IEU in collaboration with the Secretariat, while engaging the relevant evaluation stakeholders. The Secretariat will prepare procedures and guidelines in collaboration with the IEU.
  - (b) The IEU budget should be linked to the size of the GCF programming envelope since it represents the volume of operations that the IEU will evaluate in the future. It is anticipated that the overall annual budget for the IEU will not exceed 1 per cent of the programming envelope of the GCF, while ensuring that the IEU annual budget will be sufficient to cover the annual work plan of the IEU approved by the Board.
  - (c) Green Climate Fund project/programme budgets should include a budget line for generating and collecting data and information needed for evaluations that is separate from the project management budget (which covers some costs of managing for results), an overhead line, and the AE fee (which covers the costs of interim and final evaluations). This evaluation budget should cover the costs of project-level evaluations.
  - (d) Overall evaluation budgets included within project budgets, consistent with global evaluation international best practices, should be up to 5 per cent of the project budget. This will support measurement capacity within GCF investments and evidence-based learning while also establishing GCF leadership in the global community in producing evidence on what is working and what is not in climate change. The Policy encourages that the evaluation budget line in project budgets supports independent data collection (baseline and end-line data), real-time data collection systems and independent analyses to produce high-quality evaluations, including impact assessments and evaluations.
  - (e) The long-term aim is that approximately 30 per cent of the Fund's projects and programmes approved annually by the Board will include real-time impact assessments

as part of their evaluation plans. These impact assessments will be used to inform the GCF portfolio and its strategic choices. Their standards will be set by the IEU, developed in consultation with the Secretariat, and informed by Board-mandated IEU functions.

- (f) The Secretariat's monitoring and evaluation function should be similarly supported by a budget in the range of 1–2 per cent of the Secretariat administrative budget. It is also expected that the Secretariat will be supported by a transparent, robust portfolio management system, web-based data systems, and high-quality and technically well-informed indicators.
- (g) All evaluations (or reviews or assessments) submitted by the IEU to the Board will have an official management response prepared by the GCF Secretariat (prepared in consultation with relevant GCF stakeholders) to inform Board decision-making (see appendix III). Ideally, this response should be presented to the Board at the same time as the evaluation. If time is insufficient, the management response may be presented no later than the next Board meeting. The IEU will assess how the Secretariat followed on from the Board decision related to the IEU evaluations, during relevant subsequent IEU evaluations and during the overall performance evaluation of the GCF.

## IX. Disclosure, access and quality of information

### 59. Disclosure

- (a) The Secretariat and IEU work programme, approach papers and all evaluations will be made public through the GCF or IEU website.
- (b) Management responses to IEU evaluations will also be publicly disclosed and included with the evaluation report, or as soon as they become available.
- (c) The responsibility for disclosure of IEU products will rest with the Head of the IEU, and the disclosure of Secretariat products with the GCF Executive Director, while considering advice from the management of the relevant entity and subject to the provisions of the GCF IDP and the relevant signed legal agreements.<sup>3</sup> In general, it is expected that all independent evaluations, reviews and assessments of GCF investments will be publicly available. The final reports of IEU evaluations will be made available on the website after submission to the Board.
- (d) The independent evaluation offices of the AEs will cooperate, and in accordance with the relevant legal agreements with the GCF, share their evaluations and data on GCF projects and programmes that GCF projects or programmes may have leveraged, with the GCF.
- (e) The IEU will produce a synthesis for presentation to the Board based on these evaluations (or reviews or assessments).
- (f) With respect to AE-led project/programme evaluation reports and APRs, the Secretariat will, in accordance with the requirements of the GCF IDP, create a mechanism to systematically share them on a publicly available database.

60. **Access to information:** Good evaluations require and rely on timely access to information. Certain conditions are required to ensure this:

- (a) Information must be made available to evaluations in a timely manner.

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<sup>3</sup> GCF Information Disclosure Policy (GCF/B.12/35).

- (b) All evaluation reports and reviews of individual GCF projects or programmes and the reports and reviews prepared or commissioned by the GCF will be made publicly available, in accordance with the GCF IDP.
  - (c) All information from any of the above sources as well as reports on the implementation of the GCF policies, should be available, well-organized and well-stored.
  - (d) Information requests from the evaluators on financial records should be made available within a reasonable time frame, unless exigent circumstances demand otherwise. This will be the responsibility of the GCF evaluand.
  - (e) The AEs, in accordance with their obligations under the respective legal agreements, will cooperate and provide assistance in providing access to information to independent evaluators assessing GCF projects and programmes. They will provide support to evaluators during evaluations to capture the views and concerns of multiple partners, triangulate information, and undertake primary data collection, particularly during visits to the projects or programmes (mutually agreed in advance).
  - (f) In many cases, particularly for some private-sector activities, access to clients and projects/programmes by an evaluator could prejudice the client's financial interests or materially increase the risk of litigation. Evaluation design and implementation will ensure that these requirements are safeguarded.
61. **Quality of data and information:** The availability of high-quality data and information for evaluations is crucial. All GCF stakeholders shall endeavour to keep and provide when requested high-quality data. The evaluators will be responsible for ensuring and protecting the confidentiality and anonymity of information as required. This protection will be carefully considered when publishing an evaluation document.
62. All GCF projects and programmes should plan adequately for undertaking and producing useful and relevant data, evaluations and information on investment effectiveness, efficiency, impact, sustainability, country ownership and needs, and potential for paradigm shift.

## X. Integrity and risk

63. The Board adopted the Committee of Sponsoring of the Treadway Commission (COSO) framework as the internal control framework for the Fund, and appointed the IEU in the third line of responsibility of the framework (together with the Office of the Internal Audit (OIA) and the IIU). Together, they shall provide, according to their own functions, reliable and objective assurance to the Board and GCF senior management concerning governance, risk and control. Also, the IEU may, upon request, provide to the Board and GCF Secretariat assessments and evaluation reports on the effectiveness and efficiency of risks identified, assessed and mitigated.

## XI. Uptake of evaluative evidence and learning

64. There are several ways an uptake of evaluation evidence may be encouraged. Responsibilities are discussed as follows:
- (a) The IEU and the Secretariat will include a dissemination/knowledge management plan for evaluations in their respective work programmes. The Secretariat's knowledge management function will also play a critical role in this space.
  - (b) The Board will foster a culture of learning by requiring that all evaluations presented to the Board have a management response, and all evaluations, reviews and assessments of the IEU will be followed up by a management action report, a year or more later, after consideration by the Board. This will be prepared by the IEU (see appendix III).

- (c) Lessons from high-quality, impartial, objective, relevant, useful and credible evaluations that contain measured results are expected to inform the Board's decision-making processes.
  - (d) The GCF will promote the sharing of evaluative evidence across GCF partners through different modes of dissemination and communication.
65. Evaluations at the GCF will employ state-of-the-art methodologies to ensure an evaluation culture is built within the GCF that is conducive to learning and mainstreaming evaluation. Evaluation-for-evidence requires changes in behaviour and thinking.

## **XII. Policy duration and effectiveness**

66. This Policy will become effective at the end of 2021 or a year after Board approval, whichever is later.
67. This Policy will apply to all projects and programmes approved after the effective date of this Policy, subject to the signed legal agreements with AEs.
68. The Policy will be first reviewed by the Board five years after its adoption to provide the flexibility required through the early stages of the Fund's implementation given its dynamic nature, and to support new guidance from the UNFCCC and the COP.

## Appendix I: Glossary of terms

TERM	DEFINITION WITHIN THE GCF CONTEXT (*)
Accountability	Acceptance of responsibility by the GCF and its partners for achieving (or not) the objectives of the GCF, as contained in the Governing Instrument (GI).
Capacity development	Supporting the development of the competencies and abilities of GCF stakeholders and partners on how to measure and evaluate climate change adaptation and mitigation investments.
Conflict of interest	Evaluators are required to disclose in writing any past experiences of themselves, or of their immediate family, which may give rise to a potential conflict of interest, and to deal honestly in resolving any conflict of interest which may arise (based on the UNEG Code of Conduct for Evaluation in the UN System, 2008).
Data	All relevant GCF facts and information, including electronic data and documents. Secondary data is found in documentation from the AEs and other project partners, governments, research institutions, market data and other outside sources. Primary data is drawn from various sources, including interviews with key stakeholders, focus group discussions, field visits to project sites, direct observation, etc. The monitoring function provides valuable data for evaluation.
Evaluation	Assessment of an intervention or group of interventions to determine what works and what does not, for whom, how much, why, and under what circumstances.
Evaluative evidence	Presentation of data and facts generated through an assessment process conducted either by the Independent Evaluation Unit (IEU), the Secretariat, the independent units of AEs or independent evaluators. There are five types of evaluative evidence: evaluations, impact assessments, reviews, studies and syntheses.
GCF evaluation criteria	The overall evaluation criteria laid out in the approved terms of reference of the IEU. These include: (i) relevance, effectiveness, efficiency, impact and sustainability of projects and programmes; (ii) coherence in climate finance delivery with other multilateral entities; (iii) gender equity; (iv) country ownership of projects and programmes; (v) innovativeness in result areas; (vi) replication and scalability; and (vii) unexpected results, both positive and negative. The evaluation criteria also take into account the requirements of the monitoring and accountability framework (MAF).
GCF stakeholders	Green Climate Fund stakeholders include the Board and its appointed bodies and groups, the Conference of the Parties (COP), the United Nations Framework Convention on Climate Change (UNFCCC), the [GCF] Secretariat, the IEU, the independent Redress

	Mechanism, the Independent Integrity Unit (IIU), accredited entities (AEs), national designated authorities (NDAs), civil society and the private sector.
Management action report	This is prepared by the IEU and submitted to the Board, usually one year after the management response is submitted, to update the Board on the status of implementation of the management response. Management action reports will provide an overview of the Board's consideration of the recommendations, respective management responses, and the status of implementation.
Management response	All evaluations (or reviews or assessments) presented by the IEU to the Board will have an official management response from the Secretariat (prepared by management together with other relevant GCF stakeholders) expressing the views of management regarding the evaluation. Ideally, this response should be presented to the Board at the same time as the evaluation. If time is insufficient, the management response and action plan may be presented no later than the next Board meeting.
Measurement	To ascertain the extent, the size, or the amount of something. It is one of the key functions of evaluation at the GCF as it is used to assess whether and how much the GCF is achieving its objectives. "Measurement" at the GCF implies providing "representative" or average values informed by both qualitative and quantitative data, and goes beyond just using quantitative data.
Mixed methods	A mixed-method evaluation systematically integrates two or more evaluation methods, drawing on both qualitative and quantitative data, incorporating, for example, both randomized control trial experiments and case studies and different types of data collection techniques (e.g. structured observations, key informant interviews, household surveys, and reviews of existing secondary data).
Monitoring and accountability framework (MAF)	A structure of processes, reporting and consultations required of various GCF stakeholders with respect to tracking and monitoring results, stakeholder commitments, and resources invested by the GCF in GCF funded activities. The MAF has two components: (i) monitoring of AE compliance with the accreditation standards of the GCF; and (ii) monitoring and evaluation (M&E) of individual funded interventions (projects or programmes). Monitoring is a continuing process that collects and analyses data or information from Fund-supported projects/programmes to identify progress on activities and expected results. The GCF encourages participatory monitoring.
Recommendation	Proposals aimed at enhancing the effectiveness, quality or efficiency of a development intervention. In an evaluation, recommendations should be linked to conclusions. Recommendations from all IEU independent evaluations should be presented to and discussed with the Board, be clear on responsibility and timing, and be followed up with management response (to be prepared by management together with other relevant stakeholders).
Review	Assessment of performance of an intervention, periodically or on an ad hoc basis. Reviews tend to emphasize operational aspects and may involve less depth of analysis or be less comprehensive than evaluations.

Secretariat	The GCF Secretariat, established under paragraphs 19–25 of the GI.
Study	Detailed investigation and analysis of a subject or situation.
Synthesis	Aggregation of findings and results from a series of evaluations, reviews or studies (or a combination of any of them). Meta-evaluations are an example of syntheses. One objective of the syntheses is to develop benchmarks for different types of GCF projects and programmes.
Theory of change	A theory of change is a method that explains how a given intervention, or set of interventions, are expected to lead to a specific change (in this case, evidence-based decision making), drawing on a causal analysis based on available evidence. A theory of change also helps to identify the underlying assumptions and risks that will be vital to understand and revisit throughout the process, to ensure the approach will contribute to the desired change. (United Nations Development Assistance Framework (UNDAF) Companion Guidance.)
<b>TYPES AND CATEGORIES OF EVALUATION</b>	
Corporate evaluation	Evaluation covering all the interventions that apply at the Fund level.
Country portfolio evaluation	Evaluation covering all the interventions in a specific country and the strategy behind these interventions.
Ex-post	Evaluation conducted at the end of project implementation or a few years after, using mixed methods. Can either be a Secretariat-led evaluation or an IEU independent evaluation.
Final evaluation	Evaluation that is near or at the end of an intervention to provide evaluative evidence covering the entire intervention. It measures the overall impact, effectiveness, efficiency, sustainability, replicability and lessons learned of a project.
Governance and institutional evaluation	Evaluation that assesses the performance, achievements and lessons from the governance and institutional structure of the GCF.
Impact assessment/evaluation	Evaluation that measures the primary and secondary long-term effects of an intervention or group of interventions in a causal way. They are selected, upon agreement between an AE and the IEU or Secretariat, and conducted by the AE with technical support from the IEU or Secretariat and financially supported by the IEU budget, project budgets or the Secretariat budget.
Interim evaluation	Evaluation performed midway through the implementation of an intervention to assess progress towards and likelihood of achievement of outcomes and impacts. It usually has a strong formative focus.

Performance of the GCF	Performance review of the GCF, led by the IEU. The overall aim of the review is to assess the extent to which the GCF has delivered its objectives as laid out in the GI and strategic plans; the likely performance of the Fund, its funded activities and their effectiveness and efficiency; and the extent to which it has responded successfully to the needs of developing countries.
Ex-ante assessment	Assessment that is performed before the implementation of an intervention to evaluate whether it is likely to achieve its expected outcomes and impacts.
Process evaluation	Evaluation of the internal dynamics of organizations implementing GCF projects or programmes, their policy instruments, their service delivery mechanisms, their management practices, and the linkages among them.
Portfolio evaluation	Evaluation covering all the interventions within a particular cluster of projects and programmes.
Real-time evaluation	Evaluation process that takes place throughout the implementation of an intervention with the purpose of drawing real-time lessons to be used to improve programming as it is implemented.
Sector/thematic/area evaluation	Evaluation of a series of interventions, all of which address a specific theme or cover a specific sector, while cutting across countries, regions, and sectors or themes. Sector and thematic evaluations can be normative (assessing performance in relation to a benchmark), formative (aimed at improving performance), or summative (aiming to determine the extent of outcomes achieved in said sector or topic).
Strategy evaluation	Evaluation covering the effectiveness, efficiency, results and sustainability of a particular strategy of the GCF.

(\* Several definitions are adapted from the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD/DAC) Glossary of Key Terms in Evaluation and Results Based Management. Paris, 2010. Available at [www.oecd.org/dac/evaluation](http://www.oecd.org/dac/evaluation).

## Appendix II: GCF evaluation criteria

The GCF evaluation criteria, taking into account the IEU TOR and the Fund's MAF, are as follows:

- (i) Relevance, effectiveness, efficiency, impact and sustainability of projects and programmes;
- (ii) Coherence in climate finance delivery with other multilateral entities;
- (iii) Gender equity;
- (iv) Country ownership of projects and programmes;
- (v) Innovativeness in result areas – the extent to which interventions may lead to paradigm shift towards low-emission and climate-resilient development pathways;
- (vi) Replication and scalability – the extent to which the activities can be scaled up in other locations within the country or replicated in other countries (this criterion, which is considered in document GCF/B.05/03 in the context of measuring performance, could also be incorporated into independent evaluations); and
- (vii) Unexpected results, both positive and negative.

## Appendix III: Timeline of IEU independent evaluations

Table 4: Timeline of IEU independent evaluations

DOCUMENT	ACTION	BY WHOM	WHEN
<b>IEU workplan (the plan for IEU independent evaluations)</b>	Board decision	Board of the GCF	Final Board meeting of the year
<b>IEU independent evaluations/assessments/reviews</b>	Submitted to the Board Shared with Secretariat	IEU	In time for the Board meeting, and in accordance with IEU workplan
<b>Management response</b>	Submitted to the Board	Secretariat	No later than the Board meeting following the submission of the evaluation report
<b>Board decision</b>	Board decision	Board of the GCF	After consideration of the evaluation report and/or management response
<b>Management action report</b>	Submitted to the Board	IEU	One year after the Board decision

## Annex III: Key elements of evaluation policies in other agencies

Although the IEU reviewed 15 organizations, the following six were selected to represent different types of organizations comparable to the GCF in different ways, from among United Nations agencies, UNFCCC financial mechanisms, and multilateral banks and funds that focused on private and public sector investments and grants.

**Table 1: Key elements of evaluation policies**

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	United Nations Development Programme (UNDP)	World Food Programme (WFP)	Global Environment Facility (GEF)	International Fund for Agricultural Development (IFAD)	European Bank for Reconstruction and Development (EBRD)	World Bank Group (WBG)
<b>Objectives</b>	Learning; Accountability; Transparency; National capacity-building	Learning; Accountability	Learning; Accountability	Learning; Accountability	Learning; Accountability; Performance enhancement	Evaluation framework currently under preparation
<b>Principles for evaluations</b>						
<b>Alignment of definitions with international frameworks</b>	UNEG Ethical Guidelines for Evaluation; Independence; Impartial and credible evaluations; Rule-bound planning and implementation of evaluations;	Independence; Credibility; Utility	Independence; Credibility; Utility; Impartiality; Transparency; Disclosure; Ethics;	Independence; Accountability; Partnership; Learning	Evidence-based; Independent (assessment and implementation); Assessment of accomplishments relative to objectives; Utility (timely, applicable, embedded)	

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	United Nations Development Programme (UNDP)	World Food Programme (WFP)	Global Environment Facility (GEF)	International Fund for Agricultural Development (IFAD)	European Bank for Reconstruction and Development (EBRD)	World Bank Group (WBG)
	High technical competence and rigour;  Transparency of the process and full engagement with stakeholders		Participation;  Competencies and capacities		in operational processes);  Complementarity between self- and independent evaluations	

**Table 2: How evaluations are treated in the policies**

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
<b>Categories of evaluations</b>	UNDP thematic and UNDP Country Programme evaluations (by the Independent Evaluation Office (IEO));  Decentralized evaluations (by the programme units)	Centralized evaluations (strategic or global);  Decentralized evaluations (operations, activities);  Impact evaluations	Project evaluations;  Programme evaluations;  Country-level evaluations;  Impact evaluations;  Cross-cutting and thematic evaluations;  Process and performance evaluations;	Corporate level: corporate policies, strategies, business processes;  Country-level;  Project level	Thematic evaluations;  Self-evaluations (operational performance assessments (OPAs);  Review of OPAs by evaluators (OPARs);  Validation of self-evaluations (OPAVs);  Operations evaluations (OEs)	Meso evaluations;  Country and project-level evaluations;  Other evaluation products

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
			Ad hoc reviews; Overall performance studies (OPS)			
<b>Types or levels of evaluations</b>	<p>Broad thematic evaluations (by the IEO);</p> <p>Country Programme evaluations, and country-level evaluations (by the IEO);</p> <p>Decentralized evaluations (by programme units)</p>	<p>Policy evaluations;</p> <p>Strategic evaluations;</p> <p>Country or regional evaluations;</p> <p>Operation evaluations;</p> <p>Impact evaluations;</p> <p>Evaluations of corporate emergency responses;</p> <p>Joint evaluations</p>	<p>Agency GEF coordination units: terminal evaluations;</p> <p>Agency evaluation units: corporate evaluations, independent project and programme evaluations;</p> <p>GEF Independent Evaluation Office (IEO): project and programme evaluations;</p> <p>GEF Council: Annual evaluation reports; OPS</p>	<p>Corporate-level evaluations;</p> <p>Country programme evaluations;</p> <p>Project evaluations (validations)</p>	<p>Country-level evaluations;</p> <p>Sector strategy evaluations;</p> <p>Strategic priority/initiative evaluations;</p> <p>Corporate evaluations;</p> <p>OEs: individual or cluster of projects</p>	<p>Major evaluations: corporate, thematic, and sectoral;</p> <p>Country and project-level: country-focused evaluations; project performance assessment reports (PPARs); country learning strategy reviews; implementation completion and results report reviews (ICRRs);</p> <p>Other: results and performance of WBG;</p> <p>Evaluation capacity development;</p> <p>Working papers, Independent Evaluation Group (IEG) annual reports</p>

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
<b>Number of evaluations conducted</b>	In 2018: 283 decentralized evaluations (programme units); 14 country programme evaluations; 3 thematic evaluations (IEO)	In 2017: 29 centralized evaluations	By December 2017, 1,372 project evaluations in total; 88 projects in the April 2017 cohort	2007–2015: 157 projects; 2006–2016: 40 countries and strategies evaluations; 2000–2016: 295 projects (overall)	In 2018: 7 thematic evaluations/special studies; 1 operation evaluation; 1 synthesis paper; 5 corporate reports; 140 OPAs; 15 OPAVs and 1 special learning product.	In fiscal year 2018: 8 major evaluations; 3 meso evaluations; 2 country-focused evaluations; 43 PPARs; 427 project validations
<b>Coverage standards or objectives</b>	Objective of 100 per cent coverage for country programme evaluations (implemented by IEO);  Decentralized project-level final evaluations are carried out as per evaluation thresholds established by the UNDP evaluation guidelines and as per partnership protocols.	Evaluation of policies: 4 to 6 years after implementation starts;  Country portfolio: every 5 years for the 10 largest country offices; every 10 to 12 years for all other country offices;  Decentralized: at least 50 per cent of each country office's portfolio within 3 years	100 per cent of projects undergo final evaluation. The mid-term evaluation depends on project size;  Coverage is aligned with replenishment periods and defined based on transparent criteria;  Coordination with GEF agencies to optimize coverage	Determined in work plan	Determined in work plan, depending on timing and usefulness	Determined in work plan
<b>Budgeting for project-level evaluations</b>	All country programme documents must have a costed evaluation plan. Project document template	Project-level evaluations need to be reflected on a specific budget line in the project budget;	The project template requires an M&E plan and related budget, a results framework,	Project template requires planning and budgeting for project evaluations;	The Evaluation Department (EvD) budget covers only evaluations conducted by the EvD. This includes a	At the International Finance Corporation (IFC), USD 8,000 budgeted for investments and USD 9,400 for advisory

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
	includes monitoring and evaluation plan, and the budget is to be included in the project cost;  Guidance on evaluation budget provided for vertical fund projects	No guidelines on the amount	and midterm and final evaluations;  No guidelines on the amount	No guidelines on the amount	selected number of project-level evaluations (selected purposefully)	services, totaling approximately USD 14 million annually (2.5 per cent of the IFC administrative budget);  Project-level self-evaluations are under the project budget
<b>Role of evaluation offices in evaluations at the project level</b>	283 decentralized project evaluations for 2018 (126 UNDP, 121 GEF, 21 outcomes, 15 UNDAF projects)	4 centralized impact evaluations in 2017 (Republic of Chad, Republic of Mali, Republic of Niger, Republic of Sudan) focused on WFP programmes on nutrition in the humanitarian context in the Sahel	The GEF IEO does not conduct independent evaluations at the project level. They rely on the GEF agencies conducting this level of evaluations. On the other hand, the GEF IEO may evaluate individual operations within the context of thematic or country evaluations. These project-level evaluations are usually not public but are internal working documents	For 2018: 8 project performance evaluations (PPEs) on selected projects (USD 320,000 for 8). The objectives of PPEs are: to assess the results of the project under consideration; generate findings and recommendations for the design and implementation of ongoing and future operations in the country in question; and identify issues of corporate, operational or strategic interest that merit further	A limited number of detailed project evaluations will be produced based on an expectation of high value and generally covering multiple related transactions. The EvD has sharply reduced the number of these evaluations (and increased thematic evaluations or evaluations of groups)	Project performance assessment reports (PPARs). Ex-post assessments about 4 to 5 years after completion. The IEG selects around 20–25 per cent of completed projects, with preference given to those that are innovative, large or complex, relevant to upcoming studies or country evaluations, and those for which the board or management requested an assessment or expected to generate lessons. Budget at

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
				evaluation work. Project impact evaluations: max of 2 (USD 200,000 for both)		around USD 2.7 million a year. The cost should be around USD 30,000 per project, give or take: about 30 days of a consultant's fieldwork plus travel

**Table 3: Processes governing the evaluations**

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
<b>Role of the IEU in non-IEU evaluations</b>	Oversight and support to decentralized evaluations;  Quality assessment of all decentralized evaluations;  Validation of project self-evaluations	Oversight and reporting on decentralized evaluation functions;  Designing systems that support adherence to the decentralized evaluation quality assurance system (DEQAS)	Ensure projects meet M&E requirements before they are approved	Review of self-evaluations	Review and validation of self-evaluations (OPAVs)	Validation of project self-evaluations
<b>Approval of evaluation reports</b>	By the IEO;	Director of the Office of Evaluation (OEV)	Director of the IEO	By the Independent Office of Evaluation	Chief of the EvD is responsible for	By the IEG Director General

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
	By programme units, for decentralized evaluations	approves centralized evaluation reports		(IOE). Sharing of drafts with partners, but the final decision rests on the IOE Director on what to incorporate	approving all evaluation reports produced by the EvD	
<b>Presentation of evaluation reports to the Board</b>	By the IEO directly	By the Director of OEV, without prior clearance from the Executive Director or WFP management	Director of the IEO presents the evaluation to the GEF Council	By the IOE. Simultaneous submission to the Board and the President of IFAD	Chief Evaluator presents reports to the Audit Committee of the Board of Directors	Evaluations are presented through a Board subcommittee, the Committee of Development Effectiveness (CODE)
<b>Presentation of management responses and action plans</b>	Management prepares management responses with specific, time-bound actions to all independent and decentralized evaluations. Board approves management responses for independent thematic, global and regional programme evaluations	The Executive Director ensures substantive management responses are provided. Board considers management responses from centralized evaluations;  The Executive Director provides management responses to annual evaluation reports;  For decentralized evaluations: Management provides	Management responses are prepared by the GEF secretariat with relevant agency stakeholders for GEF Council consideration. The GEF CEO coordinates their preparation, and the GEF IEO submits them	Each corporate-level or country programme evaluation will come with an agreement at completion point, that summarizes evaluation findings and recommendations that IFAD and the concerned government agree to adopt;  IFAD management submits its response to the Annual Report on Results and	Management responses are provided for each evaluation, attached or not, to the final report	Management responses are presented to CODE at the same time as the evaluation. Action plan is based on the CODE decision and prepared by management (validated by the IEG) and presented to the Board, for information. The IEG monitors the implementation of the action plans in the management action record (MAR)

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
		management responses. Regional Directors ensure they are prepared		Impact of IFAD Operations (ARRI), to the Evaluation Committee and the Board at the same time		
<b>Integration of management responses and action plans in decision-making</b>	<p>The UNDP reports annually on management responses and actions taken;</p> <p>The IEO reports annually to the Board on the implementation of management responses through its annual report;</p> <p>The Bureau for Policy and Programme Support provides guidance and monitoring of these implementations</p>	<p>The Executive Director monitors their implementation through annual reports;</p> <p>The Regional Director ensures follow-ups related to decentralized evaluation actions are undertaken</p>	<p>The GEF Council provides guidance for appropriate action;</p> <p>GEF agencies ensure that evaluations are submitted for decisions within the agencies</p>	Monitoring from the Board	Management tracks actions taken on agreed recommendations and reports to the Board	The MAR is a publicly available tool that tracks the adoption of IEG recommendations by the WBG
<b>Quality assurance</b>	The IEO manages a quality assessment system for decentralized evaluations	Two systems: evaluation quality assurance system (EQAS) at a centralized level, and		Quality assurance ensured by the Director of IEO	Assured by internal and external peer review	Review of intermediate and final evaluation products internally

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
		DEQAS at a decentralized level				(IEG staff) and/or by peers
<b>Dissemination and disclosure</b>	The IEO Director has the final say on the content and release of evaluations carried out by IEO. Decentralized evaluations are published on the Evaluation Resource Center website managed by IEO	All evaluations and management responses are publicly available	Findings and lessons are made available to targeted audiences through a dynamic dissemination strategy	Full public disclosure, with optional publication of a press release	Internal disclosure of evaluation reports, consistent with confidentiality safeguards. External disclosure based on the provisions of the public information policy.	Online disclosure of reports and dissemination in learning and outreach events

**Table 4: Independent evaluation offices (IEOs)**

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
<b>Existence of an independent evaluation office (IEO)</b>	Yes – IEO	Yes – OEV	Yes – GEF IEO	Yes – IOE	Yes – EvD	Yes – IEG
<b>Processes to ensure the independence of human resources, processes, and budget allocation</b>	<p>The IEO manages its procurement, finances and operations;</p> <p>Adequate resource allocation is the responsibility of the UNDP Administrator. The Board approves the budget (0.2 per cent of core and non-core UNDP funds)</p>	<p>The Director of Evaluation has “full delegated authority” over human and financial resources of the OEV. The WFP Executive Director is responsible for ensuring sufficient resource allocation to the OEV</p>	<p>The Director of IEO is responsible for managing financial and human resources for the IEO</p>	<p>The IOE selects evaluators and consultants and manages human resources;</p> <p>While the Board reviews the budget, the Governing Council is the one to approve it</p>	<p>The Chief Evaluator manages EvD financial and human resources in consultation with relevant departments. The EvD budget is prepared by the EvD and presented separately from the bank's budget to the Board (but simultaneously)</p>	<p>The IEG Director General is fully responsible for the management of the IEG. The IEG follows WBG procedures</p>
<b>Work plan preparation and approval</b>	<p>The IEO decides on its work programme</p>	<p>Work programme depends on coverage norms established in the Evaluation Policy. For centralized evaluations, the OEV Director consults</p>	<p>A 4-year rolling work plan is formulated by the Director of Evaluation and is approved by the Council</p>	<p>The IOE prepares an annual work programme based on a critical mass of evaluations required to fulfill the evaluation function. The Executive Board and the Evaluation</p>	<p>Programming made in consultation with management. Final approval by the Board</p>	<p>The IEG, through extensive consultations on a range of criteria</p>

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
		with WFP senior management		Committee comment on the draft version. Final approval by the Executive Board		
<b>Budget preparation and approval</b>	Four-year strategic plan budget approved by the Board as part of the UNDP integrated budget, based on UNDP core and non-core funds (0.2 per cent allocation for IEO)	Annual budget approved by the Board as part of the WFP management plan	Annual budgetary request submitted to the Council for approval	Budget prepared and approved with the work programme, independently of the IFAD administrative budget, based on the same principles or parameters	Budget prepared by the EvD and approved by the Board	The IEG prepares a budget for Board approval
<b>Budget of Evaluation Offices</b>	In 2018, USD 8.7 million; IEO budget should not be less than 0.2 per cent of combined programmatic (core, non-core) resources. In total, the budget for the evaluation function should reach 1 per cent	USD 8.3 million in 2018 and USD 12.1 million in 2019; the WFP has the target of allocating 0.8 per cent of its total contribution income to the evaluation function	USD 4.897 million in fiscal year 2018; it corresponds to 22 per cent of the overall annual operational budget, or 0.5 per cent of the GEF annual financial work plan (excludes monitoring)	USD 5.91 million for 2018; it corresponds to 0.6 per cent of programme loans and grants (PoLG), and it is capped at 0.9 per cent	In 2019, GBP 3 million	Budget of USD 38.09 million for fiscal year 2019; determined on the basis of the work plan, at about 1 per cent or below the net administrative WB budget for all three institutions (WB, IFC, and the Multilateral Investment

COMPARISON ELEMENT	SELECTED INTERNATIONAL ORGANIZATIONS					
	UNDP	WFP	GEF	IFAD	EBRD	WBG
						Guarantee Agency (MIGA))
<b>Reporting of the Evaluation Offices</b>	Annual report to the Board	Annual report on centralized evaluations;  Board's responsibilities include oversight but not approval	Annual report to the GEF Council	Submission of the ARRI report to the Board	Annual evaluation review to the Board on the performance of the evaluation system and its results and findings;  Regular reporting on activities, findings and challenges	The IEG reports directly to the Board of Executive Directors;  Several annual reports
<b>Appointment and tenure of the head of the Evaluation Offices</b>	5-year term, non-renewable, barring re-entry to the UNDP	6-year term, non-renewable, barring re-entry to the WFP	5-year term, renewable once	6-year term, non-renewable	4-year term, renewable (normally only once); ineligible for employment in EBRD, unless decided otherwise by Board	6-year term, non-renewable; ineligible for subsequent employment in the WBG

## Annex IV: List of consultations on the Evaluation Policy to date

	Up to November 2018	December 2018 to June 2019	July 2019 to February 2021
<b>With the Board</b>	<ul style="list-style-type: none"> <li>• Webinars (two)</li> <li>• B.21 Board meeting side event</li> </ul>	<ul style="list-style-type: none"> <li>• Posted from 19 December 2018 to 4 January 2019</li> <li>• Webinar on 14 January 2019</li> <li>• Webinar on 17 January 2019</li> <li>• Posted from 23 April 2019 to 17 May 2019</li> <li>• Comments received during January, February, March and April</li> </ul>	<ul style="list-style-type: none"> <li>• New version for B.24 was sent to Co-Chair teams on 23 September 2019 (cc. Executive Director (ED) of GCF, and the Office of the General Counsel/Office of Governance Affairs (OGC/OGA))</li> <li>• New version was circulated to the Board from 27 September 2019 to 9 October 2019</li> <li>• Comments received from the Board up until 14 October 2019</li> <li>• IEU responses on the comments and the updated version sent to Co-Chair teams on 17 October 2019</li> <li>• Updated draft shared with Co-Chair teams on 30 September 2020</li> <li>• Policy shared with Board for two-week commenting period from 7 October 2020 to 21 October 2020</li> <li>• Revised draft shared with Board on 4 February 2021</li> <li>• A technical session was organized on 11 February 2021</li> </ul>
<b>Secretariat</b>	<ul style="list-style-type: none"> <li>• Draft policy shared by IEU</li> <li>• B.21 side event.</li> </ul>	<p>Meetings with and/or received comments from:</p> <ul style="list-style-type: none"> <li>• Audit office on 20 November 2018</li> <li>• Office of Risk Management and Compliance (ORMC) on 6 December 2018</li> <li>• Finance on 4 December 2018</li> <li>• OGC on 28 November 2018</li> <li>• OGC on 7 December 2018</li> <li>• Office of Portfolio Management (OPM) on 12 December 2018</li> <li>• Secretariat Senior Management Team (SMT) on 13 December 2018</li> <li>• Posted publicly from 19 December 2018 to 4 January 2019</li> <li>• B.22 side event on 27 February 2019</li> <li>• AE/NDA consultation from 23 April 2019 to 13 May 2019</li> <li>• New version shared by the IEU from 30 May 2019 to 31 May 2019</li> <li>• Meetings on 3 June 2019</li> </ul>	<p>Meetings with and/or received comments from:</p> <ul style="list-style-type: none"> <li>• Meeting with OPM on 6 September 2019</li> <li>• New version shared by IEU on 17 September 2019 (OPM/OGC)</li> <li>• OPM confirmed the policy on 20 September 2019</li> <li>• The updated version after the Board consultation shared by IEU on 17 October 2019 (ED/OPM/OGC/OGA)</li> <li>• Meeting with OPM on 4 December 2019. IEU requested: <ul style="list-style-type: none"> <li>✓ That the updated policy as of 17 October 2019 is used as the starting point</li> <li>✓ To provide comments/queries related to the roles and responsibilities of the Secretariat/IEU in the policy</li> <li>✓ To consolidate all of the Secretariat's comments and after discussing them internally among the Secretariat and resolving internal inconsistencies within the Secretariat</li> </ul> </li> <li>• Meeting with OPM on 13 January 2020</li> <li>• Meeting with ED and OPM on 8 June 2020</li> <li>✓ Executive decision for moving forward</li> </ul>

Up to November 2018		December 2018 to June 2019	July 2019 to February 2021
		<ul style="list-style-type: none"> <li>• Comments received on 6 June 2019</li> <li>• Meeting with all divisions on 10 June 2019</li> <li>• Comments received on 13 June 2019</li> <li>• Meeting on 13 June 2019</li> </ul>	<ul style="list-style-type: none"> <li>• Draft shared with Secretariat on 29 June 2020</li> <li>• Comments received by IEU on 17 July 2020</li> <li>• Meeting with OPM on 4 August 2020, where it was decided that IEU would identify areas of divergence and convergence with Secretariat comments</li> <li>• Comments shared by IEU on 11 August 2020</li> <li>• Meeting with OPM and OGC on 1 September 2020, where: <ul style="list-style-type: none"> <li>✓ OGC and OPM requested extra time to provide feedback and ideas for ways ahead</li> </ul> </li> <li>• Consultation on 16 September 2020, where the following items were discussed for further clarification: <ul style="list-style-type: none"> <li>✓ LORTA</li> <li>✓ Capacity building</li> <li>✓ Evaluation criteria</li> <li>✓ Information sharing between the Secretariat and the IEU</li> </ul> </li> <li>• Meeting on 28 September 2020 and 29 September 2020 to clarify areas of agreement and disagreement</li> <li>• Several meetings in October 2020 to discuss technical session</li> <li>• Meeting on 20 November 2020 to discuss steps forward</li> <li>• Meeting on 23 January 2021 to discuss substance and steps forward</li> <li>• Discussions related to the technical session on 8 February 2021 and 10 February 2021</li> </ul>
<b>AEs/NDAs</b>	<ul style="list-style-type: none"> <li>• Webinars (two)</li> <li>• B.21 side event</li> </ul>	<ul style="list-style-type: none"> <li>• Posted from 19 December 2018 to 4 January 2019</li> <li>• Webinar on 16 January 2019</li> <li>• B.22 side event on 27 February 2019</li> <li>• Draft posted from 23 April 2019 to 13 May 2019 (Comments received during both postings)</li> </ul>	<ul style="list-style-type: none"> <li>• New version was circulated from 23 September 2019 to 4 October 2019</li> <li>• Updated version circulated between 5 February 2021 and 19 February 2021 to AEs with accreditation master agreements (AMAs) made effective since 23 September 2019, and to those accredited and without effective AMAs since 23 September 2019</li> </ul>
<b>CSOs</b>	<ul style="list-style-type: none"> <li>• Side events (various)</li> <li>• B.21 side event</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation and webinar on 15 January 2019</li> <li>• Written comments received on 19 January 2019</li> <li>• B.22 side event on 27 February 2019</li> <li>• (Comments received during and after all events)</li> </ul>	